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SUBJECT: SCENESETTER FOR GENERAL WARD'S NOVEMBER 2006 VISIT
TO NIGERIA

Classified By: Ambassador John Campbell for Reasons 1 .4 (b and d)

11. (C) Your visit to Nigeria comes at a critical, though tumultuous time in the country's political evolution. Increasing instability in the Niger Delta threatens the nation's oil production, the government's primary source of income; continuing outbreaks of avian influenza threaten the nation's poultry industry, the source of livelihood for thousands of Nigerians and the primary source of protein for millions more; and a precipitous rise in political recrimination and violence, as Nigeria lurches towards presidential and legislative elections next April, threatens the first transition from one elected regime to another in Nigeria's history. While May 2007 may signal the end of President Obasanjo's second (and last) term, election plans remain tenuous. Voter registration is off to a rocky start, several state governors are under threat of impeachment, a state of emergency was imposed in Ekiti state, and there is widespread perception that Obasanjo may manipulate the uncertainty and chaos surrounding 2007 as a pretext for extending his rule.

THE POLITICS OF THE MOMENT

12. (U) A crisis of legitimacy grips the nation, as the federal government's Economic and Financial Crimes Commission (EFCC) recently began to investigate 33 of the nation's 36 State governors on charges of corruption. Impeachment proceedings that would strip governors' of their immunity have begun in a few states, allowing Obasanjo to declare a state of emergency and impose an ex-military "Administrator" to replace the elected government in Ekiti.

13. (C) During the first half of 2006, Nigerians wrangled over the idea of extending Obasanjo's presidency for a third term. Supporters of a constitutional amendment bill that would have enabled Obasanjo to elongate his term allegedly used bribery and intimidation to gather National Assembly support for the bill. Anti-third term protests took place throughout the country, and major political figures, including Vice President Atiku Abubakar, national legislators, state governors, particularly those from the North, publicly decried the third term bid. On May 16, in an ostensibly pre-determined outcome, the National Assembly defeated the bill - proponents failing to secure the requisite simple majority. Intrigue on this matter persists, with few Nigerians willing to accept Obasanjo's promise to leave office. Rumors abound that Obasanjo will attempt to extend his rule by resurrecting the third term amendment in advance of the December primaries, appointing and leading an

Interim National Government in May 2007, or 'instigating' a national or electoral crisis that deems impossible the holding of elections.

14. (C) Most media and popular attention is focused now on election preparations for 2007. While no clear candidate has emerged, former president (1985-93) and Obasanjo ally, General Ibrahim Babangida (IBB) announced on November 8 his desire to run on the ruling PDP ticket. Along with IBB, another ex-military ruler Muhammadu Buhari (1983-85) is considered a principal contender. Amidst the current impasse with Obasanjo, VP Abubakar has made no secret of his aspirations for office. While several other candidates, including State governors, and new parties are now emerging, none is of any great distinction. With primaries approaching and political campaigns launching almost weekly, there has been a precipitous rise in political recrimination and violence. Several politically-motivated assassinations and botched attempts of State governors and others have occurred recently, and the Nigerian police have appeared either unable or unwilling to thwart future attacks.

15. (C) Nigeria's Independent Electoral Commission (INEC) is responsible for voter registration and the conduct of the polls. INEC has been dogged by poor organizational planning, and inefficient procurement of election equipment. After a long battle to move from a manual to an electronic voter system, INEC is failing in its promise to make the process more efficient and transparent. A severe shortage of Direct Data Capture machines for the registration process resulted in a delayed start to the registration process and, so far, only an estimated one percent of the country's 65 million voters have actually registered, despite a December 15 deadline. While the GON and INEC both publicly highlight the

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progress they are making in their electoral preparations, we remain deeply concerned that not enough progress has been made to ensure not just that credible elections occur, but that elections occur at all.

UNREST IN THE NIGER DELTA

16. (C) Hostage-taking has become a lucrative enterprise for armed militants in the impoverished, under-developed Niger Delta region. Most recently, on November 6, two oil workers from the U.K. and the U.S. were released five days after being taken hostage. In October, four Britons were seized and later released after gunmen raided an expatriate residential compound. August saw the release of twenty foreign oil workers, including one American, after being held for over two weeks. In January and February, the Movement for the Emancipation of the Niger Delta (MEND) kidnapped thirteen expatriates, including four Americans, and held them in the jungle areas of Bayelsa and Delta States.

17. (C) Attacks on oil facilities have continued to reduce Nigeria's oil output, including a November 6 attack on an Agip platform that shut down a further 55,000 barrels per day, bringing total loss near to one third of production capacity. The GON established a commission to look into Delta regional development, but Delta leaders and militants are divided regarding participation in the GON's efforts. Although the Delta supplies the majority of the nation's wealth, it remains poor and under-developed inducing a climate of despair and anger and giving rise to the current political malaise. The emergence of MEND, which has also blown up oil installations, is a new and worrying trend in the region, although the underlying frustrations are endemic to the Delta. MEND and other copycat groups continue to issue threats - most recently in November 2006 - against oil installations and expatriates. If provoked, the militants have said they would no longer take hostages, but rather kill anyone they found working in defiance of their "restrictions." On May 10, an American oil executive was

killed in Port Harcourt in an unrelated incident, but this new mode of dealing with expatriates raises the stakes significantly for all parties involved and has led to the imposition of travel and security restrictions for the Delta by both Shell and diplomatic missions.

¶8. (C) Any major military action could exacerbate the already tense situation and, likely, endorse increased hostage-taking. While the GON has so far been able to restrain the military from rash action, military and political officials maintain the indispensability of a military solution to the crisis. Obasanjo, frustrated by disruptions to oil production, called for the military to respond using "force for force" and, characterized the hostage-takers as "terrorists."

THE MILITARY'S CONCERNS

¶9. (C) While the Nigerian military has been better funded, more professional and clearly subordinate to civilian rule since 1999, it remains under-manned, under-equipped, and under-trained for its myriad international peacekeeping and internal security engagements. The high operational tempo required to maintain its many domestic and international deployments gives little rest to the weary. It is unclear how long the current pace can be maintained. Although there is no sign of atrophy at present, the Chief of Defense Staff, while in his previous assignment as Army Chief, noted the army's difficulty in mustering additional troops for Darfur while also maintaining its internal security missions (NOTE: In August, Nigeria withdrew 3500 troops from the disputed Bakassi Peninsula. END NOTE).

¶10. (U) Despite Nigeria's position as the anchor of U.S.-supported peacekeeping operations in the region, Congressionally-imposed sanctions for the October 2001 Benue massacre (lifted in 2004) and the protracted presence of Charles Taylor reduced a security assistance program that had been the second largest in sub-Saharan Africa. While Charles Taylor was sent to face justice in Sierra Leone earlier this year and Nigeria claims partial credit for brokering the recent African Union (AU)-led agreement reached in the Darfur peace talks, security assistance programs have not yet been fully resuscitated.

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¶11. (U) Nevertheless, a significant number of military-military activities continue. A seminar with the Nigerian Air Force to develop a strategic vision, a robust DOD HIV/AIDS program, and an active humanitarian assistance program are in operation. In addition, several new programs are underway, one of which links up the Nigerian military with the California National Guard as part of the State Partnership Program. In view of Nigeria's major peacekeeping commitments, Nigerian military began training in April under the Africa Contingency Operations Training Assistance (ACOTA) Program.

¶12. (C) The senior Nigerian military leadership seems to see participation in peacekeeping missions, especially UN operations, as a means of restoring both soldiers' pride and public confidence in the military. Nigeria has two battalions of UN peacekeepers in Liberia and three battalions in the AU Mission in Darfur. Obasanjo has noted the possibility of committing troops to missions in Somalia, Cote d'Ivoire, and DROC, but he has not stated where these soldiers would come from.

¶13. (C) Due in part to the impetus given to the process by NAVEUR's March visit, the US-UK-Nigeria talks on Gulf of Guinea security are moving forward. At the Washington session in April, the USG offered to work with the GON to develop a "train and equip" program aimed at building a riverine capability for operations in the Delta. A joint

US-UK-Nigeria assessment team visit helped to develop a detailed proposal. In addition, the GON agreed to receive a briefing team that will make a presentation of the Regional Maritime Awareness Capability (RMAC) Program and explore GON receptiveness to hosting an RMAC system. The initial concept visit occurred in July, with follow-up technical and site surveys scheduled for Fall 2006.

SECURITY ISSUES

¶14. (C) While we have received no specific threats against American interests, and most Nigerians view the U.S. favorably and admirably, significant segments of the population oppose specific USG policies. In Northern Nigeria - home to most of the nation's 70 million Muslims - opposition to USG actions in Iraq and Afghanistan have served to embolden public opinion against the U.S. and characterize it as an enemy of Muslims. Since most Northern Nigerians empathize and identify with the plight of their Muslim brethren across the Islamic world, events there will necessarily dictate and inform attitudes vis--vis the USG here. It remains unlikely that public dislike for USG policies translates into terrorism or poses any direct danger to the U.S. Undeniably, rampant poverty, desperation, lack of education, and incendiary preachers help fuel antagonism for the U.S. in Northern Nigeria.

ECONOMIC AND SOCIAL ISSUES

¶15. (U) Nigeria's robust economic reforms appear to be losing momentum in the run-up to elections, hastened in part by the August dismissal of Foreign Minister Ngozi Okonjo-Iweala as the head of the Economic Intelligence Team. We are watching closely Nigeria's increasing inflation rate (running at 14%) and the management of its windfall revenues from high oil prices. Although the GON successfully paid off its sovereign debt (est. USD 30 billion) in April, 70% of Nigerians subsist on less than \$1/day inhibiting most from meeting basic needs. Trade and investment concerns, including arbitrary policies and deteriorating infrastructure, are among the most contentious in the bilateral agenda. Nigeria recently began implementing the ECOWAS Common Economic Tariff, though its impact is mixed. Despite Nigeria's improvement in Transparency International's most recent Corruption Perception Index, most Nigerians express continued, even growing frustration over corruption and GON anti-corruption efforts are broadly viewed as politically-motivated.

¶16. (U) Nigeria's score dropped on the most recent UNDP Human Development Index. Declining school attendance and literacy as well as a life expectancy of 43.4 years - driven mainly by increased infant mortality and prevalence of HIV/AIDS - characterize the plight of Africa's most populous

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nation. Widespread mistrust over safety has marred U.N.-sponsored efforts to combat polio in Nigeria. The impact of Avian Influenza (AI) - though under-reported by the GON - has been extensive and devastating to commercial poultry production, a major industry and employer. Aside from AI becoming an epidemic and possibly mutating into its human strain, the outbreak is almost certain to impact an even greater number of subsistence farmers who rely on small backyard flocks to supplement their diet and income.
CAMPBELL